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Laventhol & Horwath
Certified Public Accountants

NATIONAL TREND OF BUSINESS

Lodging Industry

A SERVICE TO THE CLIENTS OF LAVENTHOL & HORWATH

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SEPTEMBER 1984 COMPARED WITH SEPTEMBER 1983

OCCUPANCIES REBOUND; ROOM RATES CONTINUE TO CLIMB

The national occupancy rate rebounded in September, after falling 0.6 percent in August. For the month, the occupancy rate of 67.1 percent was 1.4 percent above the same month of the preceding year. Modest increases in occupancy were evident throughout most industry segments during the month, with major exceptions reported by properties located in the Southeast and South Central regions. Center city and airport properties reported large jumps in room night demand for September, up 6.4 percent and 2.3 percent, respectively. Through September, hoteliers in these two segments of the lodging industry have reported occupancy increases, with center city properties reporting a significant 4.3 percent rise. An increase in the number of business travellers was the main catalyst in the revival of room night demand in these segments.

Room rates continued their rapid rise increasing 8.4 percent above September 1983 levels, and for the year are 7.1 percent above third quarter 1983 results. Properties located in the Northeast and those in center city locations continue to take the lead in aggressive pricing policies. These higher room rates are the primary reason that total sales have risen so dramatically in 1984, up 9.3 percent.

The rise in the occupancy rate for the month fell in the middle of our range of projections. The seasonally adjusted figures also rose for most categories analyzed. Looking ahead to the last quarter of 1984, we continue to project moderate increases in both occupancies and room rates.

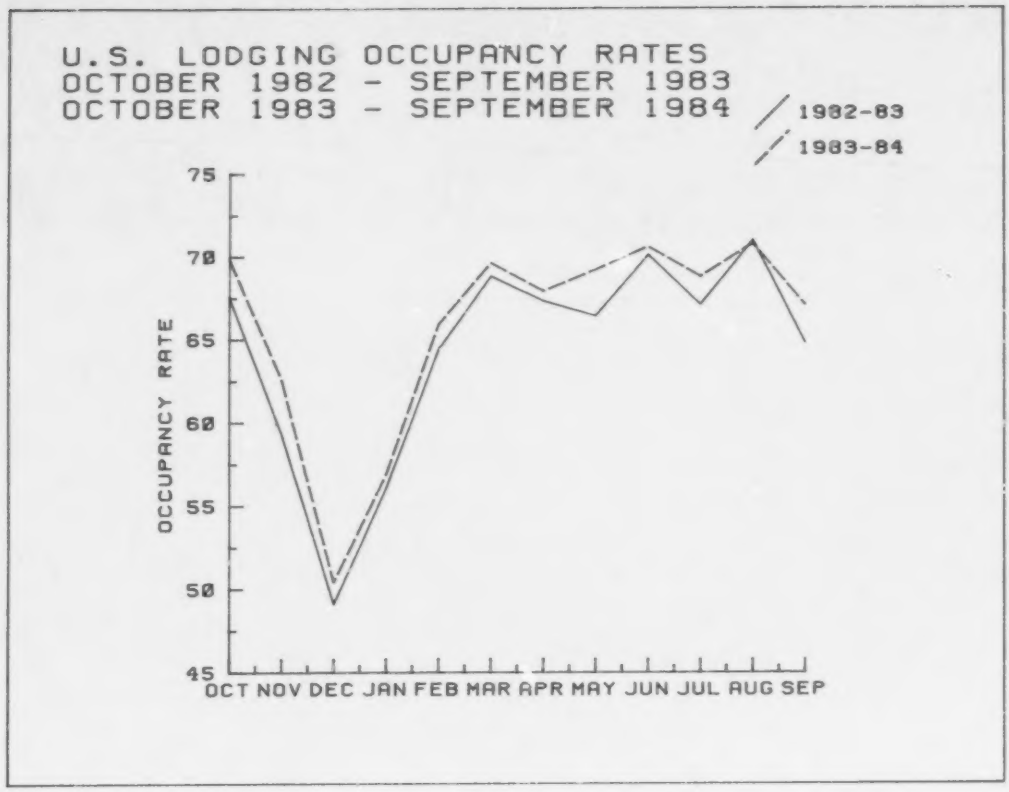
		Projections	Actual Last Year
November	1984	62-64%	62.6%
December	1984	49-51%	50.4%
January	1985	56-58%	56.9%

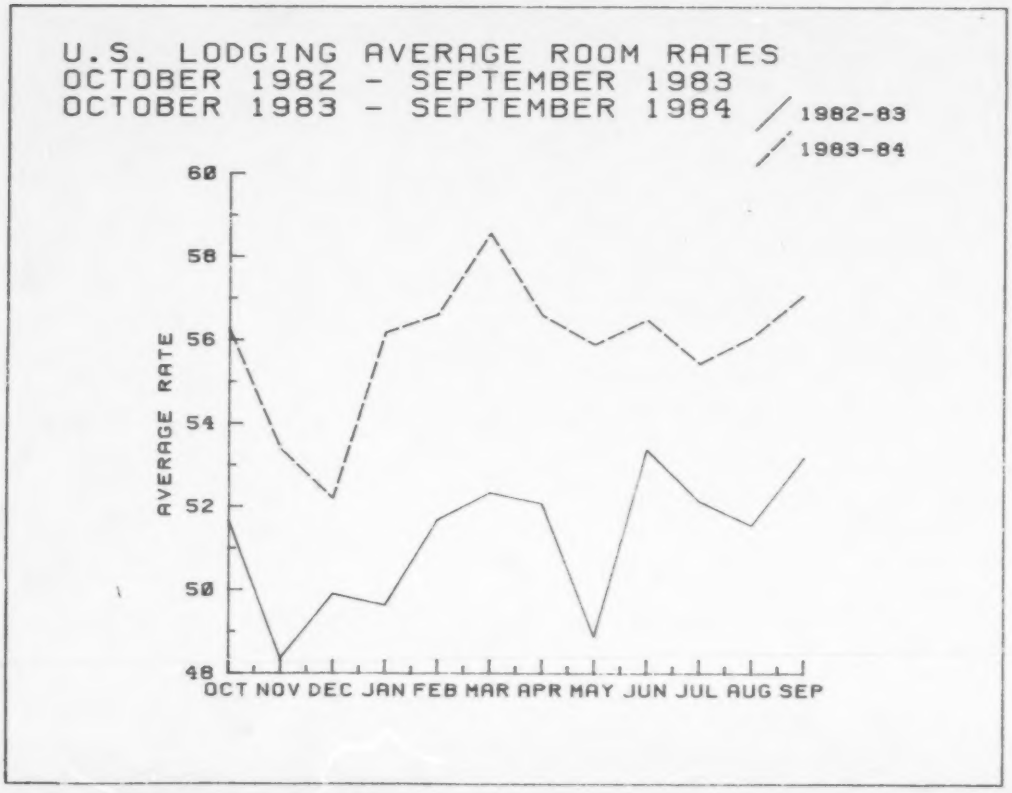
SEASONALLY ADJUSTED OCCUPANCY RATES FOR THE MAJOR CLASSIFICATIONS

	This Month	Percentage Changes*
TOTAL U.S.A.	66.7%	2.9%
AFFILIATION:		
Chain	67.8	3.4
Independent	65.8	0.5
AREA:		
Northeast	73.8	5.4
Southeast	64.8	4.7
North Central	65.6	0.8
South Central	61.9	2.0
West	73.7	7.6
LOCATION:		
Center City	68.2	2.2
Suburban	65.8	4.3
Highway	66.8	2.1
Airport	70.2	5.7
Resort	67.0	5.7
SIZE:		
Under 150 rooms	65.3	-1.4
150 to 299 rooms	67.1	5.8
300 to 600 rooms	66.6	5.4
Over 600 rooms	70.7	2.6
TYPE:		
Hotel	67.7	3.2
Motor Hotel	66.7	1.8
Economy	63.6	-0.2

* FROM PREVIOUS MONTH

Mark Lomanno, Senior Research Associate
Marsha Cassidy, Research Associate
Research and Development


U.S. LODGING OCCUPANCY RATES
OCTOBER 1982 - SEPTEMBER 1983
OCTOBER 1983 - SEPTEMBER 1984
1982-83
1983-84
OCCUPANCY RATE
75
70
65
60
55
50
45
OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP


U.S. LODGING AVERAGE ROOM RATES
OCTOBER 1982 - SEPTEMBER 1983
OCTOBER 1983 - SEPTEMBER 1984
1982-83
1983-84
AVERAGE RATE
60
58
56
54
52
50
48
OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP

TREND REPORT SEPTEMBER 1984 COMPARED WITH SEPTEMBER 1983

	SALES PERCENT CHANGE				OCCUPANCY PERCENT		DOUBLE OCCUPANCY PERCENT		ROOM SALES PER OCCUPIED ROOM		TOTAL SALES PER OCCUPIED ROOM	
	TOTAL	ROOMS	F&B	OTHER	SEP	% CHG	SEP	% CHG	SEP	% CHG	SEP	% CHG
TOTAL	9.3	10.8	6.0	7.8	67.1	1.4	48.0	-1.4	$ 57.11	8.4	$ 84.42	7.0
REGION:												
Northeast	9.5	12.3	1.2	14.6	80.4	2.3	43.6	3.8	$ 83.41	10.1	$118.60	7.4
Southeast	7.0	6.8	8.4	2.1	57.6	-0.3	67.8	-7.8	50.80	6.5	80.86	6.7
North Central	7.9	10.6	1.5	9.7	70.8	3.8	40.7	1.5	47.28	6.1	70.27	3.4
South Central	9.4	11.0	7.0	3.3	60.0	-1.8	36.0	5.9	50.96	10.2	74.68	8.7
West	13.1	12.9	13.6	13.7	76.0	4.1	53.0	-2.8	58.64	8.4	85.29	8.6
AFFILIATION:												
Chain	9.3	11.1	5.1	8.5	67.6	1.2	44.7	-0.9	$ 57.71	8.8	$ 83.76	7.1
Independent	9.4	9.6	9.6	5.3	65.0	2.0	60.2	-3.1	54.47	6.7	87.35	6.4
LOCATION:												
Center City	12.0	15.6	4.6	9.0	70.1	6.4	43.7	4.0	$ 72.28	8.3	$108.07	4.9
Suburban	2.7	3.8	0.2	2.6	66.5	-3.2	36.3	-6.2	43.95	6.9	66.23	3.7
Airport	10.4	11.4	8.6	7.7	69.8	2.3	38.5	6.9	51.92	8.3	77.23	7.4
Highway	8.4	7.8	9.2	15.0	67.1	-1.5	47.5	-0.2	46.67	7.9	62.13	8.5
Resort	7.0	5.7	10.3	1.5	58.9	-2.2	79.6	-8.9	53.70	5.6	86.55	6.9
SIZE:												
Under 150 Rooms	7.1	7.1	6.3	10.6	66.5	0.5	58.5	-0.8	$ 37.78	6.7	$ 48.96	6.4
150 - 299 Rooms	5.9	7.5	3.0	0.2	66.5	0.2	44.5	-0.4	50.72	6.9	73.47	5.3
300 - 600 Rooms	8.7	10.4	5.2	10.2	65.1	1.4	44.3	-5.5	61.76	7.8	96.52	6.2
Over 600 Rooms	14.2	16.6	9.6	11.5	71.3	3.9	49.4	0.6	80.92	9.4	122.81	7.2
TYPE:												
Hotel	11.4	13.5	7.6	9.9	68.0	4.3	45.0	0.7	$ 69.73	7.5	$108.93	5.5
Motor Hotel	4.7	5.9	1.5	1.1	65.9	-2.8	51.8	-3.2	45.81	8.4	62.30	7.2
*Economy	7.0	7.6	-2.9	-2.0	67.4	2.1	58.0	-4.6	29.96	5.2	32.12	4.6

* Economy data are based on a sample of properties from the National Trend of Business in Economy Lodging Industry.

YEAR TO DATE TREND REPORT - AS OF SEPTEMBER 1984

	SALES PERCENT CHANGE				OCCUPANCY PERCENT		DOUBLE OCCUPANCY PERCENT		ROOM SALES PER OCCUPIED ROOM		TOTAL SALES PER OCCUPIED ROOM	
	TOTAL	ROOMS	F&B	OTHER	SEP	% CHG	SEP	% CHG	SEP	% CHG	SEP	% CHG
TOTAL	9.3	10.4	6.8	10.2	67.5	2.1	53.6	-2.2	$ 56.28	7.1	$ 84.52	6.1
REGION:												
Northeast	11.0	12.2	7.6	12.2	70.5	2.9	40.7	2.0	$ 78.16	9.8	$115.12	8.5
Southeast	5.9	5.9	5.4	8.6	69.3	-1.8	86.1	-3.0	56.76	7.2	87.56	7.2
North Central	11.0	12.7	7.2	13.9	65.9	5.4	41.6	-1.2	44.84	6.0	69.48	4.3
South Central	9.5	10.9	6.6	6.4	62.3	2.3	41.1	3.5	50.32	5.5	74.12	4.1
West	10.3	11.3	7.8	12.5	72.2	2.6	51.9	-3.2	56.35	8.1	83.22	7.1
AFFILIATION:												
Chain	9.2	10.3	6.3	10.1	68.3	1.8	50.0	-2.0	$ 55.82	7.3	$ 82.20	6.2
Independent	9.9	10.5	8.7	10.5	64.5	3.0	66.4	-2.4	58.14	6.2	93.63	5.7
LOCATION:												
Center City	11.2	13.0	7.2	10.0	65.1	4.3	44.7	3.5	$ 68.77	8.1	$104.59	6.3
Suburban	6.7	8.1	3.1	10.3	66.3	1.2	38.2	-5.4	45.85	5.4	68.28	4.1
Airport	8.3	9.1	6.7	6.5	70.8	1.9	43.3	-1.4	51.54	6.9	76.09	6.1
Highway	10.3	10.0	10.2	17.2	68.5	2.2	52.3	-3.0	42.57	5.6	58.27	5.9
Resort	7.4	7.6	6.8	9.3	69.7	-2.0	95.3	-3.8	63.75	7.8	102.03	7.6
SIZE:												
Under 150 Rooms	7.3	8.0	5.1	5.1	68.4	2.7	64.0	-2.1	$ 38.68	4.9	$ 50.72	4.3
150 - 299 Rooms	7.5	9.0	3.9	7.5	67.7	1.7	47.6	-2.7	49.48	6.1	73.49	4.6
300 - 600 Rooms	7.9	8.9	5.5	10.7	65.3	1.9	53.1	-3.1	62.89	6.2	99.31	5.2
Over 600 Rooms	13.7	14.6	11.9	12.8	68.6	1.9	55.4	-0.2	79.32	9.9	122.81	9.0
TYPE:												
Hotel	10.8	12.1	8.0	11.7	67.0	3.6	49.6	-	$ 68.06	7.2	$108.65	5.9
Motor Hotel	6.8	7.9	3.4	6.0	68.2	0.3	57.3	-4.2	45.59	6.4	62.30	5.2
Economy	3.7	4.3	-2.5	-6.4	67.4	1.0	77.5	-2.9	30.77	3.5	33.17	2.9

- NO CHANGE

FOOD AND BEVERAGE REPORT - SEPTEMBER 1984 COMPARED WITH SEPTEMBER 1983

	F&B SALES PER OCCUPIED ROOM		AVERAGE RECEIPT PER COVER		FOOD COST PERCENT OF FOOD SALES		BEV COST PERCENT OF BEV SALES		F&B PAYROLL PERCENT OF F&B SALES		F&B PAYROLL PER COVER		NUMBER COVERS SERVED
	1984	1983	1984	1983	1984	1983	1984	1983	1984	1983	1984	1983	% CHG
TOTAL	$30.20	$29.19	$ 9.31	$ 8.79	0.32	0.33	0.21	0.22	45.6	46.0	$ 5.92	$ 5.79	1.3
REGION:													
Northeast	$32.78	$32.98	$12.10	$11.38	0.29	0.30	0.19	0.20	50.9	50.8	$ 8.47	$ 8.35	0.6
Southeast	30.20	27.65	9.18	8.76	0.32	0.34	0.21	0.22	45.6	46.3	6.14	6.01	3.6
North Central	29.24	29.87	7.73	7.46	0.33	0.34	0.21	0.22	40.8	40.8	4.14	4.05	0.2
South Central	25.01	24.05	7.74	7.26	0.34	0.36	0.23	0.23	45.3	45.5	5.23	5.01	-5.3
West	36.22	33.85	9.85	9.23	0.32	0.34	0.21	0.22	42.8	44.3	5.52	5.47	6.6
AFFILIATION:													
Chain	$28.05	$27.34	$ 9.16	$ 8.71	0.31	0.32	0.20	0.21	45.9	46.4	$ 5.90	$ 5.83	1.2
Independent	41.41	38.88	9.93	9.10	0.34	0.36	0.23	0.24	44.3	44.1	6.03	5.58	1.4
LOCATION:													
Center City	$33.29	$34.14	$10.91	$10.37	0.30	0.31	0.20	0.21	48.6	49.1	$ 7.36	$ 7.36	1.8
Suburban	24.73	23.74	7.76	7.25	0.35	0.35	0.22	0.22	42.5	41.2	4.71	4.38	-3.4
Airport	25.54	24.48	8.47	7.93	0.33	0.34	0.22	0.22	42.9	43.5	5.16	5.00	2.6
Highway	26.56	24.39	6.87	6.65	0.34	0.35	0.22	0.23	40.3	41.8	3.88	3.87	-
Resort	36.57	32.28	9.56	8.96	0.33	0.35	0.22	0.22	45.0	44.9	5.67	5.30	3.3
SIZE:													
Under 150 Rooms	$28.89	$27.66	$ 7.02	$ 6.59	0.38	0.38	0.25	0.25	40.0	39.5	$ 3.78	$ 3.61	-0.3
150 - 299 Rooms	23.32	22.68	7.53	7.18	0.34	0.35	0.22	0.22	43.3	43.1	4.57	4.38	-0.3
300 - 600 Rooms	32.45	31.48	9.93	9.41	0.32	0.33	0.21	0.21	46.4	47.0	6.31	6.25	2.1
Over 600 Rooms	37.36	36.39	12.13	11.43	0.29	0.30	0.19	0.20	47.8	48.9	8.46	8.37	3.1
TYPE:													
Hotel	$36.12	$35.53	$10.19	$ 9.61	0.31	0.33	0.21	0.21	46.2	47.0	$ 6.54	$ 6.46	2.5
Motor Hotel	20.16	19.28	7.25	6.96	0.35	0.35	0.22	0.22	43.7	42.8	4.54	4.30	-1.6

- NO CHANGE

YEAR TO DATE FOOD AND BEVERAGE REPORT - AS OF SEPTEMBER 1984

	F&B SALES PER OCCUPIED ROOM		AVERAGE RECEIPT PER COVER		FOOD COST PERCENT OF FOOD SALES		BEV COST PERCENT OF BEV SALES		F&B PAYROLL PERCENT OF F&B SALES		F&B PAYROLL PER COVER		NUMBER COVERS SERVED
	1984	1983	1984	1983	1984	1983	1984	1983	1984	1983	1984	1983	% CHG
TOTAL	$31.10	$29.97	$ 9.01	$ 8.53	0.34	0.34	0.22	0.22	45.9	45.2	$ 5.82	$ 5.49	1.6
REGION:													
Northeast	$35.17	$33.43	$11.39	$10.72	0.31	0.32	0.20	0.20	50.6	50.1	$ 8.28	$ 7.88	2.6
Southeast	30.11	28.06	8.81	8.37	0.34	0.34	0.22	0.22	42.6	41.3	5.57	5.12	0.3
North Central	30.96	30.79	7.59	7.39	0.34	0.35	0.22	0.22	43.8	43.6	4.45	4.33	4.0
South Central	26.35	26.11	8.33	7.78	0.35	0.35	0.22	0.22	46.8	46.4	5.51	5.28	-0.1
West	35.23	33.82	9.37	8.76	0.34	0.34	0.22	0.22	45.8	44.3	5.56	5.06	1.2
AFFILIATION:													
Chain	$28.47	$27.52	$ 8.92	$ 8.45	0.33	0.34	0.21	0.21	46.1	45.3	$ 5.86	$ 5.56	1.5
Independent	42.78	40.99	9.27	8.76	0.36	0.36	0.23	0.23	45.4	44.7	5.66	5.25	1.7
LOCATION:													
Center City	$34.30	$33.61	$10.33	$ 9.77	0.32	0.33	0.21	0.21	50.3	49.8	$ 7.29	$ 6.90	1.8
Suburban	25.96	25.78	7.59	7.30	0.36	0.36	0.22	0.22	42.7	41.5	4.74	4.48	0.2
Airport	25.59	24.49	8.16	7.70	0.34	0.35	0.22	0.22	43.7	42.8	5.02	4.71	2.0
Highway	25.95	24.62	7.20	6.62	0.36	0.36	0.23	0.23	42.5	43.0	4.23	4.13	1.8
Resort	38.15	35.28	9.35	8.93	0.34	0.34	0.22	0.22	40.4	39.1	5.07	4.66	1.6
SIZE:													
Under 150 Rooms	$28.50	$27.79	$ 6.88	$ 6.55	0.39	0.39	0.25	0.25	40.1	39.5	$ 3.80	$ 3.56	-0.7
150 - 299 Rooms	24.96	24.58	7.66	7.31	0.35	0.35	0.23	0.23	43.4	42.6	4.66	4.42	-
300 - 600 Rooms	33.77	32.77	9.32	8.96	0.34	0.34	0.22	0.22	47.6	46.3	6.19	5.84	2.2
Over 600 Rooms	38.44	36.00	11.52	10.72	0.31	0.32	0.20	0.19	47.8	47.8	7.80	7.44	4.1
TYPE:													
Hotel	37.06	35.88	$ 9.73	$ 9.19	0.33	0.33	0.21	0.22	47.1	46.5	$ 6.40	$ 6.06	2.3
Motor Hotel	21.38	20.77	7.16	6.86	0.36	0.36	0.22	0.22	41.9	40.8	4.32	4.08	-

- NO CHANGE

TWELVE MONTH TREND REPORT - AS OF SEPTEMBER 1984

	SALES PERCENT CHANGE				OCCUPANCY PERCENT		DOUBLE OCCUPANCY PERCENT		ROOM SALES PER OCCUPIED ROOM		TOTAL SALES PER OCCUPIED ROOM	
	TOTAL	ROOMS	F&B	OTHER	SEP	% CHG	SEP	% CHG	SEP	% CHG	SEP	% CHG
TOTAL	9.1	10.1	6.7	9.4	65.7	2.3	51.8	-1.9	$ 55.65	6.6	$ 84.85	5.6
REGION:												
Northeast	11.3	12.5	8.7	11.4	70.9	4.0	40.3	2.5	$ 78.09	9.4	$116.99	8.3
Southeast	5.8	5.9	4.9	8.7	67.1	-1.5	82.2	-3.1	55.62	6.7	87.31	6.6
North Central	10.9	12.8	6.9	14.2	63.9	6.1	40.7	-1.9	44.32	5.5	70.40	3.7
South Central	7.9	9.3	5.2	4.2	60.6	2.0	39.6	1.5	49.63	4.6	73.81	3.2
West	10.2	11.2	8.1	10.0	69.4	3.0	50.6	-1.6	55.36	7.6	82.47	6.7
AFFILIATION:												
Chain	8.8	10.0	6.0	9.0	66.5	2.2	48.3	-1.8	$ 55.21	6.8	$ 82.52	5.6
Independent	9.9	10.4	8.7	10.8	62.8	3.5	64.1	-2.1	57.43	5.8	94.04	5.3
LOCATION:												
Center City	10.6	12.4	7.3	9.2	64.2	4.2	43.7	2.6	$ 68.55	7.5	$106.05	5.9
Suburban	7.1	8.6	3.5	10.0	64.6	2.2	37.5	-4.3	45.36	4.9	68.27	3.5
Airport	7.5	8.5	5.7	4.7	68.4	2.2	40.9	-1.2	50.36	5.9	76.02	4.9
Highway	9.6	9.6	9.0	13.6	66.1	2.8	50.3	-2.5	41.50	5.1	56.94	5.2
Resort	7.6	7.7	6.9	10.1	67.7	-1.3	92.4	-3.8	62.35	7.6	101.61	7.5
SIZE:												
Under 150 Rooms	7.3	8.0	5.2	4.6	65.6	3.1	61.6	-1.8	$ 37.86	4.6	$ 50.35	3.9
150 - 299 Rooms	7.6	9.2	4.1	6.9	65.7	2.5	45.9	-3.0	48.70	5.7	73.62	4.1
300 - 600 Rooms	7.2	8.1	5.1	10.0	63.8	1.6	51.6	-3.2	62.12	5.7	99.10	4.9
Over 600 Rooms	13.1	14.1	11.6	11.7	68.4	2.4	53.3	0.4	78.77	9.2	123.98	8.3
TYPE:												
Hotel	10.2	11.5	7.8	10.8	65.8	3.5	48.2	0.2	$ 67.54	6.7	$109.66	5.5
Motor Hotel	6.9	8.2	3.3	5.6	66.0	1.1	55.1	-4.2	44.66	5.9	61.64	4.6
Economy	3.8	4.4	-2.0	-6.0	64.2	1.9	73.7	-2.0	30.35	3.2	32.75	2.7

TWELVE MONTH FOOD AND BEVERAGE REPORT - AS OF SEPTEMBER 1984

	F&B SALES PER OCCUPIED ROOM		AVERAGE RECEIPT PER COVER		FOOD COST PERCENT OF FOOD SALES		BEV COST PERCENT OF BEV SALES		F&B PAYROLL PERCENT OF F&B SALES		F&B PAYROLL PER COVER		NUMBER COVERS SERVED
	1984	1983	1984	1983	1984	1983	1984	1983	1984	1983	1984	1983	% CHG
TOTAL	$32.25	$31.19	$ 9.16	$ 8.68	0.33	0.34	0.22	0.22	45.1	44.5	$ 5.86	$ 5.56	1.8
REGION:													
Northeast	$37.67	$35.59	$11.63	$10.88	0.30	0.32	0.20	0.20	48.4	48.3	$ 8.17	$ 7.78	2.7
Southeast	31.00	29.22	9.07	8.65	0.34	0.34	0.22	0.22	41.8	40.7	5.69	5.28	0.1
North Central	32.69	32.79	7.68	7.49	0.34	0.34	0.23	0.23	43.0	42.8	4.46	4.35	4.8
South Central	26.80	26.70	8.46	7.97	0.35	0.35	0.22	0.22	46.3	46.0	5.59	5.37	-
West	35.54	34.01	9.37	8.78	0.34	0.34	0.22	0.22	46.1	44.8	5.63	5.16	1.7
AFFILIATION:													
Chain	29.65	28.78	$ 9.11	8.65	0.33	0.33	0.21	0.21	45.1	44.5	$ 5.91	$ 5.64	1.7
Independent	43.95	42.15	9.32	8.80	0.35	0.35	0.23	0.23	44.7	44.2	5.67	5.28	2.2
LOCATION:													
Center City	36.16	35.34	$10.59	9.99	0.31	0 32	0.21	0.21	48.6	48.2	$ 7.26	$ 6.86	2.0
Suburban	26.68	26.59	7.64	7.38	0.36	0.36	0.22	0.22	42.0	41.1	4.73	4.53	1.2
Airport	26.97	26.12	8.21	7.79	0.34	0.35	0.23	0.23	43.3	42.5	5.06	4.80	2.0
Highway	25.81	24.72	7.16	6.65	0.36	0.36	0.23	0.23	42.0	42.5	4.19	4.10	1.9
Resort	38.85	36.10	9.41	8.98	0.34	0.34	0.22	0.22	40.2	39.3	5.16	4.83	1.7
SIZE:													
Under 150 Rooms	$29.07	$28.41	$ 6.92	$ 6.61	0.39	0.38	0.25	0.25	39.7	39.3	$ 3.77	$ 3.57	0.1
150 - 299 Rooms	26.09	25.83	7.75	7.39	0.35	0.35	0.23	0.23	42.9	42.4	4.67	4.46	0.5
300 - 600 Rooms	34.36	33.35	9.40	9.03	0.34	0.34	0.22	0.22	47.1	46.2	6.19	5.87	1.7
Over 600 Rooms	40.39	38.01	11.78	11.04	0.30	0.31	0.19	0.19	46.1	45.9	7.88	7.51	4.8
TYPE:													
Hotel	38.61	37.41	$ 9.90	$ 9.37	0.33	0.33	0.21	0.22	46.0	45.5	$ 6.45	$ 6.12	2.4
Motor Hotel	21.79	21.35	7.19	6.89	0.36	0.36	0.22	0.22	41.6	40.7	4.31	4.10	0.3

- NO CHANGE